

Proposition 110

Proposition 110¹ is a constitutional initiative passed by California voters that provides property tax relief for severely and permanently disabled claimants when they sell an existing home and buy or build another. It allows the transfer of the base-year value of their existing home to a newly purchased or constructed home within *select counties* in the State of California. In addition, the initiative also provides relief for modifications that make a home more accessible for a severely disabled person.

Who Qualifies?

If you or your spouse that lives with you are severely and permanently disabled², you can buy a home of equal or lesser value than your existing home and transfer the trended base year value of your existing home to your new property. Also, you can modify your current home as long as the modifications directly satisfy disability requirements.

The transfer of a trended base value from one property to another is a one-time benefit only. You must buy or newly construct a replacement property within two years of the sale of the original property. Both the original property and the replacement property must be your principal place of residence, and you must file your claim within three years following the purchase or completion of new construction of your replacement property. Once you have filed and received this tax relief, neither you nor your spouse who resides with you will qualify to receive this benefit again.

If a person has been granted a Proposition 60/90 benefit and subsequently becomes severely and permanently disabled, he/she may also qualify for a Proposition 110 benefit.

1. For expanded definitions of Proposition 110, see Revenue and Taxation (R&T) Code Sections 69.5 and 74.3. It is available online at www.boetaxes.ca.gov/property.

2. The Revenue and Taxation Code defines “a severely and permanently disabled person” as any person who has a physical disability or impairment which results in a functional limitation as to employment, or substantially limits one or more major life activities of that person, and which has been diagnosed as permanently affecting the person’s ability to function.

Eligibility Requirements...

1. Both your original and replacement property must be eligible for the homeowners’ or disabled veterans’ exemption and the replacement property must be your principal residence.
2. The replacement property must be of equal or lesser “current market value” than the original property. The “equal or lesser” test is applied to the entire replacement residence, even though the owner of the original property may acquire only a partial interest in the replacement residence. Owners of two qualifying original residences may not combine the values of those properties in order to qualify for a Proposition 110 base-year transfer to a replacement residence of greater value than the more valuable of the two original residences.
3. The replacement property must be purchased or built within two years (before or after) of the sale of the original property.
4. You must file your claim within three years following the purchase or completion of new construction of the replacement property.
5. You or a spouse residing with you must be severely and permanently disabled when the original property was either sold or modifications were completed.
6. The disabled person, spouse or legal guardian must submit a *Physician’s Certificate of Disability* (Form OWN-107) with the claim.

Frequently Asked Questions

- Q. My original home is located outside Los Angeles County, but my replacement home is in Los Angeles County. Do I qualify for relief?
- A. Yes.
- Q. I plan to relocate from Los Angeles County to another county. Do I qualify for relief?
- A. You may qualify for relief. Other counties in California have passed Proposition 110 ordinances. We recommend that you contact the county to which you wish to move regarding Proposition 110 eligibility.

Q. Do all replacement homes qualify?

A. If you meet all other eligibility requirements, relief is granted for single family residences, condominiums, units in planned developments, cooperative housing, community apartments, manufactured homes subject to local real property tax, and living units within a larger structure consisting of both residential and non-residential accommodations.

Q. If I make an improvement to my replacement home within two years of purchase, can I get additional tax relief for the new construction?

A. Yes, as long as the total amount of your purchase and the new construction does not exceed the market value of the original property at the time of its sale.

Q. What does “equal or lesser value” of a replacement property mean?

A. The meaning of “equal or lesser value” depends on when you purchase the replacement property. In general, *equal or lesser value* means the following:

- **100% or less** of the market value of the original property if a replacement property is purchased or newly constructed *before* the original property is sold, or

- **105% or less** of the market value of the original property if a replacement property is purchased or newly constructed *within the first year* after the original property is sold, or

- **110% or less** of the market value of the original property if a replacement property is purchased or newly constructed *within the second year* after the original property is sold.

When making the “equal or lesser value” test it is important to understand that the market value of a property is not necessarily the same as the sale/purchase price. The Assessor will determine the market value of each property. If the market value of your replacement property exceeds the “equal or lesser value” test, no relief is available. It is “all or nothing” with no partial benefits granted.

Q. If I qualify for Proposition 110 benefits, do I still need to file for a Homeowners' Exemption on the replacement property?

A. Yes. Homeowners' exemptions are not automatically granted.

Q. Does the owner of a home that is modified to make it more accessible need to be disabled to qualify for Proposition 110 benefits?

A. No. The severely and permanently disabled person need only be a permanent resident of the dwelling.

Q. What tax relief is available for homes modified to improve accessibility?

A. If qualified, the value of the improvement, addition, modification, or feature that specially adapts a home's accessibility for a severely and permanently disabled person is excluded from property tax assessment.

What Documentation Will be Required?

You must provide proof of severe and permanent disability and file a claim with the Assessor who will then determine if you qualify. Appropriate proof of disability is a certificate signed by a licensed physician or surgeon attesting to the claimant's severe and permanent disability.

If you are filing a request for property tax exclusion for modifications made to improve accessibility, in addition to the claim and proof of disability, a statement must be provided that identifies the construction, installation, or modification that was necessary to make the structure more accessible.

Email: Send us an email at helpdesk@assessor.lacounty.gov

Phone: Call 213.893.1239

Claim forms may also be requested by mail or in person at any of our offices listed in this brochure.

What Forms Do I Need?

Disabled Person's Claim for Transfer of Base-Year Value to Replacement Dwelling (OWN-112) and *Physician's Certificate of Disability* (OWN-107).

**Si desea ayuda en Español,
llame al número 1.888.807.2111**

For More Information

For general information, visit one of our offices to pick up brochures or speak with a trained professional. You may also contact us in any of these convenient ways, 24 hours a day:

■ **Assessor's Website:** Research comparable sales, verify valuations, download forms, learn how appraisals are made, and more. Visit assessor.lacounty.gov.

■ **Assessor's Email:** Send your questions, comments, and suggestions to helpdesk@assessor.lacounty.gov.

■ **Los Angeles County Property Tax Website:** General information about property taxes, including how to read your tax bill and where to find answers to your questions. Visit lacountypropertytax.com.

■ **Property Information Hotline:** Minimal wait times averaging less than a minute. Fast transfers to expert staff during normal business hours. Just call toll free 1.888.807.2111.

■ **Automated Interactive Voice System:** Information on valuations and taxes can be obtained by entering the Assessor Identification Number from a property tax bill. Call 213.974.3838 or call the toll free number above.

Convenient Locations

Main Office

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 225
Los Angeles, CA 90012-2770
213.974.3211
1.888.807.2111

North District Office
13800 Balboa Boulevard
Sylmar, CA 91342
818.833.6000

South District Office
1401 E. Willow Street
Signal Hill, CA 90755
562.256.1701

East District Office
1190 Durfee Avenue
South El Monte, CA 91733
626.258.6001

West District Office
6120 Bristol Parkway
Culver City, CA 90230
310.665.5300

Lancaster Regional Office

251 E. Avenue K-6
Lancaster, CA 93535
661.940.6700

Van Nuys Satellite
14340 Sylvan Street
Van Nuys, CA 91401
818.901.3455

JOHN R. NOGUEZ • ASSESSOR



GUIDE TO PROPOSITION 110

Severely and Permanently Disabled Resident Exclusion

500 West Temple Street
Los Angeles, California 90012-2770
213.974.3211
1.888.807.2111

assessor.lacounty.gov

or

lacountypropertytax.com

"To Enrich Lives Through Effective And Caring Service"